



**Tuesday, January 17, 2017
GGLDC – Andrews Conference Room
Audit & Finance Committee Meeting
9:00 a.m.**

MINUTES

ATTENDANCE

Committee Members: T. Felton (Chair), P. Battaglia, M. Gray
Staff: L. Farrell, M. Masse, P. Kennett, E. Richardson
Guests:
Absent:

1. CALL TO ORDER / ENTER PUBLIC SESSION

T. Felton called the meeting to order at 10:06 a.m. in the Andrews Conference Room.

2. CHAIRMAN’S REPORT & ACTIVITIES

2a. Agenda Additions / Other Business - Nothing at this time.

2b. Minutes: November 29, 2016

M. Gray made a motion to approve the November 29, 2016 meeting minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD:

3a. D&O Insurance Renewal – Lawley Genesee has provided a proposal for renewal of the current D&O Policy with Travelers. The renewal price is \$445 less than the current policy. The current policy expires on 2/23/17. L. Farrell reminded the board that the committee reviewed several options for D&O Insurance in 2016. At that time the deductible was increased from \$1,000 to \$10,000. This expense is split 50/50 by the GCEDC and the GGLDC and is within budget for 2017.

M. Gray made a motion to renew the D&O Insurance; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3b. November 2016 Financial Statements - L. Farrell presented the November Financial Statements to the Committee and noted the following:

- Received \$304.5K in EDA grant funds in November as reimbursement for GVAB improvements. The project for this grant changed and L. Farrell doesn't expect to receive \$15,162 of this grant receivable. She will be working on proper recording to reverse this receivable.
- Interfund Revenue comes into the Gateway II, Buffalo East Tech Park and Genesee Valley Agri-Business Park funds from strategic investments to cover insurance and site maintenance expenses.
- Unrestricted cash consists mostly of MedTech Centre funds.
- Insurance is paid in full and will be within budget on a consolidated basis by year end.
- Expenses are within budget; most expenses that are over budget are directly related to grants.

P. Battaglia made a motion to recommend approval of the November 2016 Financial Statements; the motion was seconded by M. Gray. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3c. Yancey's Fancy Revolving Loan Fund Request – Yancey's Fancy has requested up to \$420,000 from RLF #2. The company has an outstanding loan with the GCEDC and 2 other outstanding loans with the GGLDC that will be paid off in the process of incurring this new debt. The loan would bear an interest rate of 3%, with a five year amortization maturing in approximately March of 2022.

Staff has recommended for approval to the full Board a \$420,000 loan to Yancey's Fancy. This loan will consist of up to \$234,000 from RLF#2, with the balance being a refinance of the two existing loans outstanding with the Genesee Gateway Local Development Corp. (GGLDC). This is contingent upon Yancey's Fancy paying off the existing loan outstanding with the GCEDC.

P. Battaglia made a motion to recommend approval for the Yancey's Fancy \$420,000 Loan; the motion was seconded by M. Gray. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3d. Workforce Training Program Contract – ABC Grant Funds - \$7,500 - The GGLDC has received a proposal to utilize the majority of the remaining grant funds from the America's Best Communities Award in the amount of \$7,500 to set up a Certificate based program in LeRoy High School and Byron-Bergen High School for Professional Skills Training. This will be a one-time set up that can be made part of the school's normal curriculum and can be sustainable with no further funding.

Staff has recommended to approval of a contract for \$7,500 with Loren Penman who will prepare the curriculum for the program.

M. Gray made a motion to recommend approval of a contract for \$7,500 with Loren Penman; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3e. H. Sicherman & Co., Inc. Contract Extension - H. Sicherman & Co. was under contract for the 2016 year to assist the GGLDC with various grant applications and compliance reporting, specifically assisting with Office of Community Renewal (OCR) grants. This contract had an original approval of \$15,000 in expenditures that were unreimbursable under grants, with a total expenditure approval of \$25,000. In January of 2017, the GGLDC issued a request for proposals to solicit interest from companies to assist with these programs in 2017. This RFP is a requirement under OCR guidelines. When speaking with H. Sicherman regarding final billing under the existing 2016 contract, it was noted that there was an increase in the anticipated activity, along with their associated time and billing attributable to these tasks, due to three OCR grants that were monitored by the OCR for final closeout. H. Sicherman & Co. worked with OCR during their compliance review to ensure all grant guidelines were met, so that OCR could officially close out those grants. The three grants that were closed out originated in 2009, 2011 and 2012. Since the GGLDC does not have an existing contract in place, we are seeking an extension to H. Sicherman & Co.'s contract through February 28, 2017. We are also requesting an increase in the total contract amount of \$10,000 (total contract now \$35,000) with \$5,000 of that being an increase to the unreimbursable amount (total unreimbursable now \$20,000) to cover the increase in the costs attributable to those grant close outs.

Staff has recommended to extend the contract through February 28, 2017 with H. Sicherman & Co., along with increasing the total contract by \$10,000 (total contract now \$35,000).

P. Battaglia made a motion to recommend approval of the H. Sicherman & Co. contract extension to February 28, 2017 and increase by \$10,000, total contract amount of \$35,000; the motion was seconded by M. Gray. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

3f. Appraisals for Gateway II, Buffalo East Technology Park, MedTech Park, and Ag Park - The GGLDC has received a proposal to update the existing appraisals that were completed by Shell Associates for all of the corporate parks (Gateway II, Buffalo East Tech Park, MedTech Park and Ag Park). Per Harris Beach, in accordance with PAAA and PARIS, these appraisals should be updated every few years. The last appraisals the GGLDC had completed was in 2010, 2012 and 2013.

Shell Associates has given a quote for \$500 per park, the GGLDC has 4 parks that would be re-appraised, for a total cost of \$2,000. This expense was not budgeted for.

P. Battaglia asked if it would be possible to push it out for 5 years instead of 3 year's.

M. Masse said that he would check with R. Gaenzle, but doing this now would get all of the parks on the same rotation for appraisals going forward.

The Shell Associates contract was recommended by staff for approval not to exceed \$2,000 for park appraisals.

M. Gray made a motion to recommend approval of the contract for \$2,000 with Shell Associates; the motion was seconded by P. Battaglia. Roll call resulted as follows:

T. Felton	Yes
P. Battaglia	Yes
M. Gray	Yes

The item was approved as presented.

4. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at approximately 10:45 a.m., seconded by M. Gray and passed unanimously.